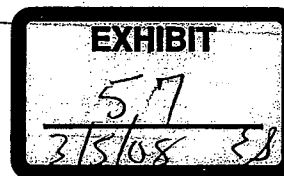


Mogel, Bruce

From: Brown, Dave [DBrown@nusconsulting.com]
Sent: Tuesday, January 16, 2007 11:26 AM
To: Mogel, Bruce
Cc: Amundsen, Christine; Hofmann, Paul
Subject: Manhasset NY Overbilling



Bruce,

Your NUS consultant, Christine Amundsen, has taken ill over the past couple of days and I have been filling in for her regarding the LIPA/Con Ed Solutions over-billings for your Manhasset NY location.

In further reference to our ongoing investigation of potential overcharges and ongoing cost reductions for the aforementioned location, we would like to provide the following updates. If you recall, in one of our recent emails, we documented events to that date. More specifically, the initial investigation uncovered that LIPA, after it had switched meters, was using the old meter multiplier of 180 vs. the new meter multiplier of 80. However, as we shared with you subsequent to that initial finding, we still felt that the billing was in error, and continued discussions with LIPA.

LIPA's next suggestion was that when work was done in the mall, there may have been some cross-wired circuits resulting in the still higher bills and suggested that we need to speak with the Landlord. As you are aware, as part of the investigation, we requested and received the connected load data for the store, which further confirmed our findings that the store billings were definitely out of line.

Last Friday, we initiated contact with your Landlord's representative, Diane Hoffman and she referred us to the electrical contractor for Mall - Albertson Electric Service. On Monday I received a telephone call from Larry at Albertson and we explained the situation in detail and our belief that something was causing the Tiffany bill to be rendered at usage above and beyond the historic norm. We suggested that either some errors in wiring, meter calibration or simply misreading meter data or meters might have caused the problem and Larry agreed that they would undertake an inspection of the site. Larry called me back later in the afternoon on Monday and indicated that it appeared that LIPA had "mis-tagged or mis-labeled" the newly installed electricity meters for your store and the neighboring store - Ralph Lauren Polo. Accordingly, the recorded usage/demand for Polo has been placed on the Tiffany bills and vice versa.

We have now gone back to LIPA to advise them of the electrician's confirmation of our findings and they will have to send another representative to the location to verify the information. Although as per our initial discussion with LIPA, they already are in the process of correcting past bills, and have in fact issued certain credits, we have further advised them that additional corrections will be necessary.

We have also been in touch with Con Ed Solutions, and as soon as they get the corrected data, within 72 hours, they too will issue corrected billing and all future billings from LIPA, Con Ed Solutions or any future providers will reflect proper usage and expenditure levels for Tiffany. If we do not hear back from LIPA by mid afternoon, we will contact them to get an update. In the interim, should you have any questions, please feel free to contact me at the below telephone number.

10/11/2007

Regards,

Dave

David M. Brown
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